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TECHNICAL ASSISTANCE CIRCULAR

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ADDRESSEES: STATE VOCATIONAL REHABILITATION AGENCIES
STATE REHABILITATION COUNCILS
CLIENT ASSISTANCE PROGRAMS

SUBJECT: Vision for the State Vocational Rehabilitation Services Program as a Partner in the Workforce Development System under the Workforce Innovation and Opportunity Act

PURPOSE: The Workforce Innovation and Opportunity Act (WIOA) represents the first major reform of the publicly-funded workforce development system in more than 15 years. Title IV of WIOA amends the Rehabilitation Act of 1973 (Rehabilitation Act) by significantly revising requirements for, among others, the State Vocational Rehabilitation Services (VR) program, particularly with regard to its role as a core partner in the workforce development system. WIOA fosters new opportunities for innovation and collaboration across Federal, State, and local agencies, private organizations, and employers. The law authorizes increased access to employment, education, training, and support services to assist individuals with disabilities, including youth and students with disabilities, to succeed in the competitive labor market. To that end, the VR program is a critical component in the workforce development system. Through this technical assistance circular (TAC), the Rehabilitation Services Administration (RSA) sets forth the vision for the VR program as a partner in the workforce development system by describing a framework to support implementation activities that will help workers with disabilities to acquire the skills and credentials they need to pursue in-demand jobs and obtain competitive integrated employment.

TECHNICAL
ASSISTANCE:

The purpose of title I of the Rehabilitation Act is to assist each State in operating a statewide comprehensive, coordinated, effective, efficient, and accountable State VR program that is an integral part of a statewide workforce development system. The purpose of the VR program is to assess, plan, and provide VR services to individuals with disabilities, especially individuals with the most significant disabilities, so that they

may prepare for and engage in competitive integrated employment consistent with their unique strengths, priorities, concerns, abilities, capabilities, interests, and informed choice.

Vision for the State VR Program as a core program under WIOA

As a core partner in the one-stop service delivery system, the State VR program provides individuals with disabilities the services they need to compete for and achieve high-quality employment in the 21st century global economy. While individuals with disabilities are a vital and integral part of our society, some individuals with disabilities face particular barriers to high-quality employment. RSA envisions the State VR program as working with other workforce development system partners to assist workers with disabilities by providing them with the necessary services and supports so that they can acquire the skills and credentials that they need to have the opportunity to pursue in-demand jobs and careers. In so doing, the State VR program's leadership in the one-stop system is critical to growing our economy, ensuring that everyone who works hard is rewarded, and building a strong middle class. To help achieve this vision, WIOA's amendments to the Rehabilitation Act empower individuals with disabilities to maximize employment, economic self-sufficiency, independence, and inclusion and integration into society.

Embedded throughout WIOA, including the amendments to the Rehabilitation Act, is the principle that individuals with disabilities, including those with the most significant disabilities, are capable of achieving competitive integrated employment when provided the necessary skills and supports. As such, the amendments to the VR program made by WIOA are designed to improve employment outcomes for individuals with disabilities by—

- (1) Strengthening the alignment of the VR program with the other core programs of the workforce development system through unified strategic planning requirements, common performance accountability measures, and requirements governing the one-stop delivery system.

WIOA strengthens the foundation for the establishment of a comprehensive, accessible, and high-quality workforce development system that serves all individuals in need of education and employment services, including individuals with disabilities, and employers in a manner that is customer-focused and that supports an integrated service delivery model. By creating strong partnerships with the other core programs in the system, namely Adult, Dislocated Worker, and Youth programs under title I, the Adult Education and Family Literacy Act

(AEFLA) program under title II, and the Wagner-Peyser Employment Service program under title III, and other partners in the community necessary to successfully serve individuals with disabilities, VR agencies can help effectively develop a Unified State Plan for the core programs, or a Combined State Plan that incorporates the core partners plus one or more other partners. The Unified or Combined State Plan must include a unified strategic vision and goals for preparing an educated and skilled workforce. The VR program, as a core program, plays a lead role in the implementation of a Unified or Combined State Plan that supports the provision of VR services to enable individuals with disabilities to obtain competitive integrated employment in high-demand fields. To that end, the VR agencies can ensure the needs of individuals with disabilities, especially those with the most significant disabilities, are incorporated into the State's unified strategic planning and goals.

To improve employment outcomes across the core programs, WIOA also strengthens the accountability of the publicly-funded workforce development system by establishing a common performance accountability system for all core programs. VR agencies, along with the other core partners, must use the performance indicators established in WIOA to assess the effectiveness of the workforce development systems in their States. By aligning and coordinating their data systems, the VR agencies and the other core partners promote the availability of data that will be used to evaluate and improve the outcomes of all participants in the system, including those of individuals with disabilities.

As revitalized by WIOA, one-stop centers (currently branded as American Job Centers or AJCs) are designed to provide excellent customer service to jobseekers, workers, and employers and focus on continuous improvement. One-stop centers and partners provide job seekers, including individuals with barriers to employment, such as individuals with disabilities, with the skills and credentials necessary to secure and advance in employment with family-sustaining wages. Additionally, AJCs enable employers to easily identify, recruit, and hire skilled workers and access other supports, including education and training for their current workforce. Finally, WIOA encourages the use of rigorous evaluation to support continuous improvement of AJCs by identifying which strategies work better for different populations. For additional information, see TAC 15-01, "Vision for the One-Stop Delivery System under the Workforce Innovation and Opportunity Act (WIOA)," dated August 13, 2015. As a core

partner in the one-stop system, the VR agencies can use their expertise to ensure that individuals with disabilities get the services they need through the VR program, as well as other programs in the one-stop system, to prepare for and obtain competitive integrated employment. In addition, the VR agencies can play a critical role in working with employers who are interested in hiring qualified individuals with disabilities.

- (2) Emphasizing the achievement of competitive integrated employment by individuals with disabilities, including individuals with the most significant disabilities.

The principle that individuals with disabilities are capable of participating in the competitive integrated labor market when provided the necessary academic and vocational skills, services, and supports is interwoven throughout WIOA's amendments to the Rehabilitation Act, thereby ensuring that individuals with disabilities are provided a full opportunity through the VR program to engage in job-driven training and pursue high-quality employment outcomes. For example, by providing VR services, including financial support for graduate-level degrees to individuals pursuing career advancement or by serving, outside of an order of selection, individuals with disabilities who are in immediate danger of losing employment, VR agencies can maximize the potential for individuals with disabilities to prepare for, obtain, retain, and advance in the same high-quality jobs and high demand careers as persons without disabilities.

WIOA enhances the VR agencies' ability to coordinate, collaborate, and work with employers, as well as with other entities providing services to individuals with disabilities to support the achievement of competitive integrated employment. Collaboration with employers and these other entities is essential to the success of VR program participants. WIOA enhances opportunities for VR agencies to provide needed training and technical assistance services to employers hiring, or interested in hiring, individuals with disabilities, including the availability of work-based learning experiences that prepare individuals with disabilities, including students and youth with disabilities, for success in competitive integrated employment.

WIOA also places heightened emphasis on the provision of services necessary to assist youth with disabilities, including youth with the most significant disabilities, to achieve competitive integrated employment in the community, including supported or customized employment. These amendments, along with the

limitations on the payment of subminimum wages to individuals with disabilities added by section 511, demonstrate the intent that individuals with significant disabilities, especially youth, must be afforded a full opportunity to prepare for, obtain, maintain, advance in, or re-enter competitive integrated employment. To that end, VR agencies should coordinate the delivery of services to youth with disabilities, especially youth with the most significant disabilities, with other providers in the State who serve this population to ensure they receive the necessary services and supports to achieve competitive integrated employment.

- (3) Expanding services to support the transition of students and youth with disabilities from secondary education to postsecondary education and employment.

While the VR program has always provided transition services to eligible students with disabilities, the Rehabilitation Act, as amended by WIOA, expands the population eligible to receive certain discrete services and permits a wider range of services to students who are transitioning from school to post-school activities. Section 113 of the Rehabilitation Act requires that VR agencies reserve at least 15 percent of their VR allotment to coordinate with local educational agencies in providing, or arranging for the provision of, pre-employment transition services to students with disabilities who are eligible or potentially eligible for VR services and in need of such services. In addition, the Rehabilitation Act permits the provision of transition services for the benefit of groups of youth with disabilities. Because of these amendments, VR agencies now have an opportunity to provide VR services to a broader population of students and youth with disabilities to assist them in preparing for and obtaining competitive integrated employment. VR agencies should work with State and local educational agencies to ensure that the services provided are coordinated and seamless across the various programs that support transition for students and youth with disabilities from secondary education to postsecondary education and employment.

Take Action Now

On April 16, 2015, the Departments of Education (ED) and Labor (DOL) (Departments) published five Notices of Proposed Rulemaking (NPRMs) and anticipate publishing final regulations in the spring of 2016. However, many of the actions States need to take to transition to the new requirements imposed by WIOA must be initiated before the final regulations are issued. RSA strongly encourages States to begin planning

and taking action for transitioning to the new requirements under WIOA to achieve successful implementation and ultimately realize the intent of WIOA and RSA's vision. RSA, in collaboration with our Federal workforce development and education partners, will issue technical assistance and guidance to assist States in implementing WIOA's requirements. This is especially true for the VR program since the provisions contained in title IV of WIOA (i.e., the amendments to the Rehabilitation Act) were effective upon enactment (July 22, 2014). Most other provisions in WIOA took effect July 1, 2015; however, there are provisions for an orderly transition from the Workforce Investment Act of 1998 to WIOA during Program Year (PY) 2015, also known as the transition year.

In the interim, we encourage VR agencies to begin the process of implementation, particularly those requirements that took effect on July 22, 2014, such as, among others, developing Individualized Plans for Employment (IPE) within 90 days after eligibility determination and reserving at least 15 percent of the State's VR allotment for the provision of pre-employment transition services. The statute, proposed regulations, and interim guidance already available provide a framework for initial implementation activities. It is imperative that VR agencies begin collaborating with other partners to prepare for implementing those requirements that go into effect on July 1, 2016 (PY 2016), specifically those related to the Unified or Combined State Plan, the performance accountability system, and establishment of the one-stop delivery system.

Below are recommended actions that workforce development system leaders and partners, including VR agencies, can take to move toward implementing WIOA's requirements. Several of the recommended actions are also emphasized in the DOL Training and Employment Guidance Letter (TEGL) No. 19-14, entitled *Vision for the Workforce System and Initial Implementation of the Workforce Innovation and Opportunity Act of 2014*. VR agencies should consider these actions in any transition discussions with the other core partners to ensure that their States are well positioned to implement the vision of WIOA. This list is not exhaustive, and each State should fully assess its own situation and requirements to determine the activities it will need to undertake to support a full and effective transition.

- ✓ ***Assess State laws.*** It is important to review State statutes and proposed legislation in order to identify areas that may conflict with WIOA so that plans and strategies can be made to resolve these conflicts.

- ✓ ***Review State VR policies to identify areas where updates are needed to reflect changes in the Rehabilitation Act with the***

enactment of WIOA. This would include policies related to: eligibility determination; development of the IPE; the provision of services to students and youth with disabilities transitioning from secondary education to postsecondary education and work; the provision of supported employment services to individuals with the most significant disabilities; the implementation of an order of selection; and the provision of services that assist individuals with disabilities to achieve competitive integrated employment. This is not an exhaustive list, but serves as examples of some of the more significant policy changes enacted by WIOA.

✓ ***Address the heightened emphasis on the provision of services to students and youth with disabilities.*** RSA recommends that VR agencies:

- Revise formal interagency agreements with State educational agencies and local educational agencies (if applicable) to address coordination of the provision of pre-employment transition services and the responsibilities of each agency in providing or paying for transition services, including pre-employment transition services;
- Develop policies and procedures for coordinating with local educational agencies, and other entities, the provision of pre-employment transition services;
- Develop or strengthen coordination of services to out-of-school youth with disabilities in cooperation with non-educational agencies and other entities, including employers, that serve these youth;
- Revise website information and other explanatory materials describing the availability and provision of pre-employment transition services to students with disabilities and transition services to youth with disabilities;
- Consult with other Federal, State, and local agencies to identify best practices in the States for the provision of transition services to students and youth with a variety of disabilities;
- Develop and strengthen partnerships with relevant agencies, providers and entities in order to coordinate and provide transition services to groups of students and youth with disabilities;
- Account for the number of individuals who are and will be provided pre-employment transition services in the Unified or Combined State Plans; and
- Demonstrate which services and expenditures were provided under which cost objective, such as pre-employment transition

services provided with reserved VR funds versus another VR service provided with the remainder of VR funds.

- ✓ ***Expand partnerships with employers.*** To improve and enhance employment opportunities for individuals with disabilities, VR agencies should expand outreach activities to employers and potential employers, including enhancing opportunities for work-based learning experiences, such as internships and apprenticeships, for individuals with disabilities.
- ✓ ***Prepare for fiscal and program changes.*** VR agencies should assess their case management systems to determine their capacity to document the services and funding levels now required under the Rehabilitation Act, including the reservation of VR funds for the provision of pre-employment transition services to students with disabilities.
- ✓ ***Build new and strengthen existing partnerships.*** WIOA requires States and local areas to enhance coordination and partnerships, including through the Unified or Combined State Plan, with local entities and supportive service agencies for strengthened service delivery. These plans should: include statutorily specified additional partners in the planning process; establish a set of common performance measures that apply to all core programs; strengthen linkages between complementary programs, including providing access to services within the one-stop center system; add one-stop center partners, such as the Carl D. Perkins Career and Technical Education program at the secondary and postsecondary level and Temporary Assistance for Needy Families (TANF) program; and specify partner programs' support for one-stop system infrastructure costs and other shared costs.
- ✓ ***Develop plans to ensure workforce development boards become WIOA-compliant.*** State and local boards must meet WIOA's new membership requirements and be able to carry out new functions as of July 1, 2015. The establishment of a WIOA-compliant State Workforce Development Board is critical to the transition to requirements under WIOA, as the State Board plays a significant role in overseeing transition activities, including the designation of local workforce development areas, the identification of regions, the development of criteria for local board appointments, and the State planning process. Chief elected officials should review the new requirements in title I of WIOA and outlined in the DOL guidance, TEGL No. 27-14, entitled *Workforce Innovation and Opportunity Act Transition Authority for Immediate Implementation of Governance Provisions* to reconstitute and

recertify boards. Additionally, as also noted in DOL TEGL No. 19-14, when establishing standing committees, States are strongly encouraged to focus on serving youth, low-skilled adults, American Indians, individuals with disabilities, and other priority groups in the local area.

- ✓ ***Engage with core programs and other partners to begin strategic planning.*** DOL TEGL No. 27-14 also encourages local and State leaders to engage in strategic planning and find new ways to align core programs, optional programs under a Combined State Plan, and required and optional one-stop partners under WIOA. It is vital to understand the new Unified or Combined State Plan requirements and to assess whether States have the right partners at the table and are participating fully as equal partners in the design and coordination of the programs and services within the workforce development system. Strategic planning should include concrete goals as well as a vision of success, i.e., how the workforce development system should function in the State to best meet WIOA's goals. Local and State leaders are encouraged to include State economic development staff and support alignment of workforce and economic development goals.
- ✓ ***Develop transition plans.*** Transition to the requirements imposed by WIOA, and reaching its vision, is complex and will require substantial activities. We encourage States to develop transition plans to facilitate and promote preparation and tracking of transition and implementation progress. Additionally, transition plans could be helpful to guide State implementation of WIOA requirements, and identify possible impacts on program participants affected by WIOA. The Departments will be developing technical assistance tools to assist State VR agencies and relevant core partners in this effort.
- ✓ ***Reassess one-stop delivery system.*** With other WIOA partners, such as other core programs, optional programs, and required and optional one-stop partners, VR agencies should reassess the one-stop delivery system and what is needed to achieve seamless service delivery models that place the individual, especially individuals with disabilities, in the center of program design and delivery. Consider operations, such as “bricks and mortar” and information technology infrastructure, in light of new core and required one-stop center partners. WIOA requires a memorandum of understanding (MOU) between the local board and the one-stop partners to address one-stop center infrastructure funding, physical and programmatic accessibility requirements, and the vision of WIOA and State established goals, among other issues. Consider

how the VR program can partner with the one-stop centers to ensure the one-stop centers are physically and programmatically accessible to help individuals overcome barriers to becoming and staying employed, to support applicable career development services, such as initial assessment of skill levels through the one-stop delivery system, as well as how individuals with disabilities, especially VR-eligible individuals, will benefit from a more integrated one-stop system. These actions will better position State VR agencies and local workforce development areas to develop the State's plan for infrastructure funding and certification of one-stop centers.

- ✓ ***Prepare for fiscal and program changes related to the transition to the requirements of WIOA.*** ED has adopted the new Office of Management and Budget (OMB) Uniform Administrative Requirements (2 CFR 3474.1 and 2 CFR part 200) (Uniform Guidance). These requirements will be applicable to VR agency grantees with their FY2016 grant awards. Financial staff and other applicable staff must become familiar with the new requirements, which govern such matters as standards for financial and program management, procurement, and allowable costs.

Timeframe of Anticipated Regulations, Guidance, & Technical Assistance

As noted above, on April 16, 2015, ED and DOL published in the Federal Register five NPRMs.

The notices consisted of:

- An NPRM jointly published by ED and DOL proposing to implement jointly-administered activities under title I of WIOA regarding Unified and Combined State Plans, performance accountability, and the one-stop system. This NPRM applies to all core programs, including the VR and AEFLA programs.
- A DOL-only NPRM proposing to implement changes made to the adult, dislocated worker, and youth programs authorized under title I of WIOA.
- An ED-only NPRM proposing to implement changes to programs and activities authorized under AEFLA, which are contained in title II of WIOA.
- Two ED-only NPRMs proposing to implement amendments to the Rehabilitation Act, which are contained in title IV of WIOA.

The 60-day public comment period for the NPRMs closed on June 15, 2015. ED and DOL will analyze these public comments as the

Departments develop final rules. ED and DOL anticipate issuing final rules in the spring of 2016.

To achieve successful implementation and the full intent of WIOA and RSA's vision for the VR program as a workforce development system partner, RSA will continue to consult with VR agencies and other partners in the workforce system. RSA strongly advises its State VR agencies to begin planning and taking action to prepare to implement the requirements of WIOA.

SUMMARY:

WIOA offers a unique opportunity to strengthen innovation in the workforce development system, connects individuals who confront barriers to employment to partner programs and resources, and supports establishment of a VR program that addresses the needs of individuals with disabilities, including youth and students with disabilities to achieve their vocational goals. These goals will be best met in a State workforce development system in which: services are aligned with State and local needs; VR service goals and priorities are based on rigorous research and promising models; and VR services are integrated with education and training programs or coordinated with employers and social service providers to promote career pathways.

INQUIRIES:

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cc: Council of State Administrators of Vocational Rehabilitation
National Council of State Agencies for the Blind
National Disability Rights Network